
ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION

FINANCIAL STATEMENTS

DECEMBER 31, 2013 AND 2012

ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION

FINANCIAL STATEMENTS

DECEMBER 31, 2013 AND 2012

CONTENTS

	<u>Page</u>
Independent Accountants' Review Report	1
<u>FINANCIAL STATEMENTS</u>	
Consolidated Statements of Financial Position	2
Consolidated Statements of Activities	3
Consolidated Statements of Cash Flows	4
Notes to Consolidated Financial Statements	5 - 8
<u>SUPPLEMENTAL INFORMATION</u>	
Consolidated Statement of Financial Position	9
Consolidated Statement of Activities	10
<u>AGREED UPON PROCEDURES</u>	
Independent Accountants' Report on Applying Agreed-Upon Procedures	11 - 12
Schedule of Findings and Questioned Costs	13
Schedule of Prior Year Findings	14
Louisiana Attestation Questionnaire	15 - 16

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

The Board of Directors
Ascension Economic Development Corporation
Ascension Economic Development Foundation
Sorrento, Louisiana

We have reviewed the accompanying consolidated statements of financial position of Ascension Economic Development Corporation and Ascension Economic Development Foundation (nonprofit organizations) as of December 31, 2013 and 2012, and the related consolidated statements of activities and cash flows for the years then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Organization management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the consolidated financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the consolidated financial statements.

Our responsibility is to conduct the review in accordance with the Statements on Standards for accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the consolidated financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying consolidated financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Our review was made primarily for the purpose of expressing a conclusion that there are no material modifications that should be made to the consolidated financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America. The supplementary information included on pages 10 – 11 are presented only for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and we did not become aware of any material modifications that should be made to such information.

Postlethwaite & Netterville

June 2, 2014

ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2013 AND 2012

ASSETS

	<u>2013</u>	<u>2012</u>
<u>CURRENT ASSETS</u>		
Cash and cash equivalents	\$ 127,477	\$ 106,653
Restricted cash	185,491	125,401
Certificates of deposit	<u>25,666</u>	<u>60,685</u>
Total current assets	338,634	292,739
 <u>PROPERTY, PLANT & EQUIPMENT, net</u>	 <u>8,773</u>	 <u>5,751</u>
TOTAL ASSETS	<u>\$ 347,407</u>	<u>\$ 298,490</u>

LIABILITIES AND NET ASSETS

<u>LIABILITIES</u>		
Accounts payable and accrued expense	\$ 11,680	\$ 738
Total current liabilities	<u>11,680</u>	<u>738</u>
 TOTAL LIABILITIES	 <u>11,680</u>	 <u>738</u>
 <u>NET ASSETS</u>		
Unrestricted		
Designated by the Board for strategic initiative	185,491	125,000
Undesignated	<u>150,236</u>	<u>172,752</u>
TOTAL NET ASSETS	<u>335,727</u>	<u>297,752</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 347,407</u>	 <u>\$ 298,490</u>

See accompanying notes and independent accountants' review report

ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION

CONSOLIDATED STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
<u>REVENUES</u>		
Contributions	\$ 422,810	\$ 410,300
Grants	20,459	17,220
Interest income	368	798
Total revenues	<u>443,637</u>	<u>428,318</u>
<u>EXPENSES</u>		
Salaries	173,471	195,602
Payroll taxes and benefits	54,298	60,981
Travel and entertainment	17,304	20,352
Legal and professional fees	10,837	4,613
Office	11,985	16,716
Depreciation	2,345	2,515
Insurance and utilities	9,598	8,795
Rent	12,547	17,622
Marketing and research	24,981	36,139
Other	88,296	33,886
Total expenses	<u>405,662</u>	<u>397,221</u>
CHANGE IN NET ASSETS	37,975	31,097
NETS ASSETS AT BEGINNING OF YEAR	<u>297,752</u>	<u>266,655</u>
NET ASSETS AT END OF YEAR	<u><u>\$ 335,727</u></u>	<u><u>\$ 297,752</u></u>

See accompanying notes and independent accountants' review report.

ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION

CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	\$ 37,975	\$ 31,097
Adjustments to reconcile net income to net		
Cash provided by operating activities:		
Depreciation	2,345	2,515
Changes in operating assets and liabilities:		
Certificates of deposit	35,019	(685)
Accounts payable and accrued expenses	10,942	400
Net cash provided by operating activities	<u>86,281</u>	<u>33,327</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property & Equipment	<u>(5,367)</u>	<u>-</u>
Net cash used in investing activities	<u>(5,367)</u>	<u>-</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	80,914	33,327
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>232,054</u>	<u>198,727</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$ 312,968</u></u>	<u><u>\$ 232,054</u></u>
NON CASH FINANCING ACTIVITIES		
Louisiana Economic Development note	-	(25,500)
Louisiana Economic Development accounts receivable	-	25,500

See accompanying notes and independent accountants' review report.

ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Significant Accounting Policies and Presentations

Organization and Purpose

The Ascension Economic Development Corporation (the Corporation) is a non-profit corporation which was organized to promote economic development for the Parish of Ascension and is funded by the Parish of Ascension, the City of Gonzales and the business community in Ascension Parish.

The Corporation's board of directors is appointed by the Parish of Ascension, the Ascension Chamber of Commerce, the City of Gonzales, and the President of the Parish of Ascension.

The Ascension Economic Development Foundation (the Foundation) is a non-profit corporation which was organized to support the Corporation through fundraising activities.

Basis of Accounting

The consolidated financial statements of the Corporation and the Foundation have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

The Corporation and the Foundation report information regarding financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Cash Equivalents

The Corporation and the Foundation considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. Management believes all receivables to be collectible and no valuation allowance has been recorded for the years ended December 31, 2013 and 2012.

ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. **Significant Accounting Policies and Presentations (continued)**

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported as net assets released from restrictions.

Grant Recognition

Grants that represent exchange transactions are recorded as a receivable when the grant costs are incurred and reimbursable.

Grants that represent contributed support are recognized in the same manner as contributions.

Income Taxes

The Corporation operates as a public charity under Section 501(c) (6) of the Internal Revenue Code and, accordingly, is exempt from federal and state income taxes.

The Foundation is exempt from income taxes under Code Section 501(c) (3).

The Corporation and the Foundation accounts for income taxes in accordance with income tax accounting guidance included in the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). Management believes it has no material uncertain tax positions and, accordingly there is no provision for income taxes in the accompanying financial statements.

The Corporation and the Foundation file Form 990 tax returns in the U.S. federal jurisdiction. Generally, the Corporation and the Foundation are no longer subject to U.S. federal, state and local, or non U.S. income taxes examinations by tax authorities for years before 2010.

ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Significant Accounting Policies and Presentations (continued)

Property and Equipment

Property and equipment are stated at cost or at their estimated fair value at date of donation. Depreciation is provided using the straight-line method over the estimated useful lives of the assets with estimated lives between 3 and 15 years. Gains and losses from sales or retirements are recognized in the period of disposition.

Use of Estimates

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

2. Property and Equipment

Major classifications of property and equipment as of December 31, 2013 and 2012 are summarized as follows:

	<u>2013</u>	<u>2012</u>
Furniture and fixtures	\$ 20,026	\$ 17,021
Leasehold improvements	<u>6,764</u>	<u>6,764</u>
	26,790	23,785
Less: accumulated depreciation	<u>(18,017)</u>	<u>(18,034)</u>
Property and equipment, net	<u>\$ 8,773</u>	<u>\$ 5,751</u>

Depreciation expense related to the property and equipment in service was \$2,345 and \$2,515 for the years ended December 31, 2013 and 2012, respectively.

3. Retirement Plan

The Corporation has a 401(k) profit sharing plan for all full-time employees. Participants may make voluntary contributions to the plan up to a maximum of \$17,500, and are 100% vested in their contributions. The Corporation provides a 5% match of an electing participant's deferral and may make discretionary profit sharing contributions.

ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

4. Retirement Plan (continued)

Vesting in the Corporation's 401(k) profit sharing plan for the Corporation's contributions is as follows:

<u>Years of Service</u>	<u>Vested Percentage</u>
Less than 1	0%
1	20%
2	40%
3	60%
4	80%
5	100%

The Corporation's contributions to the plan were \$7,473 and \$9,083 for the years ended December 31, 2013 and 2012, respectively.

5. Related Party Transactions

The Corporation receives contributions from the Foundation, a consolidated entity.

During the years ended December 31, 2013 and 2012, the Corporation paid legal fees to a board member of approximately \$3,119 and \$1,511, respectively.

6. Concentrations

The Corporation and the Foundation typically maintain cash and cash equivalents in local banks that may, at times, exceed the FDIC limits. Management believes that this risk is limited.

The Corporation received approximately 96% and 96% of its revenue from governmental sources during the years ended December 31, 2013 and 2012, respectively. Furthermore, the parish of Ascension provided \$322,800 and \$322,800 during the years ended December 31, 2013 and 2012; as such, the Corporation is economically dependent on the Parish of Ascension.

7. Restricted Cash

Restricted cash in the amount of \$185,491 and \$125,401 for the years ended December 31, 2013 and 2012 is comprised of cash designated by the Board for strategic initiatives.

8. Subsequent Events

Management has evaluated subsequent events through June 2, 2014, the date that the financial statements were available to be issued, and determined that there were no events that require disclosure. No events occurring after this date have been evaluated for inclusion in these financial statements.

ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2013

ASSETS

	<u>Corporation</u>	<u>Foundation</u>	<u>Total</u>
<u>CURRENT ASSETS</u>			
Cash and cash equivalents	\$ 88,294	\$ 39,183	\$ 127,477
Restricted cash	185,491	-	185,491
Certificates of deposit	25,666	-	25,666
Total current assets	299,451	39,183	338,634
 <u>PROPERTY, PLANT & EQUIPMENT, net</u>	 8,773	 -	 8,773
 TOTAL ASSETS	 <u>\$ 308,224</u>	 <u>\$ 39,183</u>	 <u>\$ 347,407</u>

LIABILITIES AND NET ASSETS

<u>LIABILITIES</u>			
Accounts payable and accrued expenses	\$ 11,680	\$ -	\$ 11,680
Total current liabilities	11,680	-	11,680
 TOTAL LIABILITIES	 11,680	 -	 11,680
 <u>NET ASSETS</u>			
Unrestricted			
Designated by the Board for strategic initiatives	125,000	-	125,000
Undesignated	171,544	39,183	210,727
TOTAL NET ASSETS	296,544	39,183	335,727
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 308,224</u>	 <u>\$ 39,183</u>	 <u>\$ 347,407</u>

ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION

CONSOLIDATED STATEMENT OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2013

	<u>Corporation</u>	<u>Foundation</u>	<u>Total</u>
<u>REVENUES</u>			
Contributions	\$ 422,810	\$ -	\$ 422,810
Grants	16,459	4,000	20,459
Interest income	266	102	368
Total revenues	<u>439,535</u>	<u>4,102</u>	<u>443,637</u>
<u>EXPENSES</u>			
Salaries	173,471	-	173,471
Payroll taxes and benefits	54,298	-	54,298
Travel and entertainment	17,304	-	17,304
Legal and professional fees	9,977	860	10,837
Office	11,984	-	11,984
Depreciation	2,192	153	2,345
Insurance and utilities	9,598	-	9,598
Rent	12,547	-	12,547
Marketing and research	24,135	846	24,981
Other	88,296	-	88,296
Total expenses	<u>403,802</u>	<u>1,859</u>	<u>405,661</u>
CHANGE IN NET ASSETS	35,733	2,243	37,976
NETS ASSETS AT BEGINNING OF YEAR	<u>260,812</u>	<u>36,940</u>	<u>297,752</u>
NET ASSETS AT END OF YEAR	<u>\$ 296,545</u>	<u>\$ 39,183</u>	<u>\$ 335,728</u>

INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES

To the Board of Directors
Ascension Economic Development Corporation
Ascension Economic Development Foundation
Sorrento, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Ascension Economic Development Corporation and Ascension Economic Development Foundation, and the Legislative Auditor, State of Louisiana solely to assist the users in evaluating management's assertions about Ascension Economic Development Corporation and Ascension Economic Development Foundation's compliance with certain laws and regulations during the year ended December 31, 2013 included in the accompanying *Louisiana Attestation Questionnaire*. Management is responsible for its financial records and compliance with applicable law and regulations. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Federal, State, and Local Awards

1. Determine the amount of Federal, state and local award expenditures for the fiscal year, by grant and grant year.

There were no federal awards or state awards noted.

2. For each federal, state, and local award, randomly select 6 disbursements from each award administered during the period under examination, provided that no more than 30 disbursements would be selected.
3. For the items selected in procedure 2, trace the six disbursements to supporting documentation as to proper amount and payee.

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

4. For the items selected in procedure 2, determined if the six disbursements are properly coded to the correct fund and general ledger account.

All disbursements were properly coded to the correct fund and general ledger account.

5. For the items selected in procedure 2, determined whether the six disbursements received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated proper approval.

Open Meetings

6. Examine evidence indicating that agendas for meetings recorded in the minute book were posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meetings law).

Ascension Economic Development Corporation and Ascension Economic Development Foundation are only required to post a notice of each meeting and the accompanying agenda on the door of the Ascension Economic Development Corporation's office building.

Comprehensive Budget

7. For all grants exceeding five thousand dollars, determine that each applicable federal, state, or local grantor agency/agency was provided with a comprehensive budget of those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance.

Ascension Economic Development Board provided comprehensive budgets to the applicable state grantor agencies for the programs mentioned previously. These budgets specified the anticipated uses of the funds, estimates of the duration of the projects, and plans showing specific goals and objectives that included measures of performance.

8. Review any prior year suggestions, recommendations, and/or comments to determine the extent to which such matters have been resolved.

In the reviewed financial statements for the year ended December 31, 2013, no suggestions, recommendations, and/or comments were noted.

We were not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Ascension Economic Development Corporation and Ascension Economic Development Foundation, the Legislative Auditor (State of Louisiana), and the applicable state grantor agency/agencies and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



June 2, 2014

**ASCENSION ECONOMICAL DEVELOPMENT CORPORATION
ASCENSION ECONOMICAL DEVELOPMENT FOUNDATION
Sorrento, Louisiana**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

DECEMBER 31, 2013

NONE

**ASCENSION ECONOMIC DEVELOPMENT CORPORATION
ASCENSION ECONOMIC DEVELOPMENT FOUNDATION
Sorrento, Louisiana**

SCHEDULE OF PRIOR YEAR FINDINGS

DECEMBER 31, 2012

NONE



Experience the Ascension Advantage

LOUISIANA ATTESTATION QUESTIONNAIRE

Postlethwaite & Netterville, APAC
326 E. Cornerview
Gonzales, LA 70737

In connection with your review of our financial statements as of December 31, 2013 and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of June 2, 2014.

Federal, State, and Local Awards

We have detailed for you the amount of Federal, state and local award expenditures for the fiscal year, by grant and grant year.

Yes [☒] No []

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and grantor officials.

Yes [☒] No []

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes [☒] No []

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the OMB Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and un-allowed, and reporting and budget requirements.

Yes [☒] No []

Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Yes [☒] No []

Budget

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and

objectives and measures of performance

Yes [☒] No [☐]


Prior Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes [☒] No [☐]

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the federal, state, and local grants, to include the applicable laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We will also disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance which may occur up to the date of your report.

 President 06/02/2014 Date